

TOYOTA MOTOR MANUFACTURING (UK) LTD

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Supply Chain Responsibilities

Introduction

Toyota Motor Corporation (TMC) has continuously strived to contribute to the sustainable development of society through the manufacturing and distribution of high-quality and innovative products and services as indicated in the Toyota Earth Charter.

Through such continuous efforts, Toyota has established its own management philosophy, values and methods, which have been passed down from generation to generation throughout the company. Toyota has summarised this philosophy into what is known as the '**Guiding Principles at Toyota**', which reflect its idea of what kind of company Toyota wants to be.

These Guiding Principles were created in the expectation that all Toyota Group Companies and business partners would understand and share fundamental management principles and contribute to society by referring to these principles. We believe that the spirit of Guiding Principles has been put into practice in all our business activities throughout Toyota's history.

Toyota takes initiatives to contribute to harmonious and sustainable development of society and the earth. Toyota expects its business partners to support these initiatives, and comply fully with applicable laws, regulations and societal norms and to practice management based on '**Respect for people**'.

Whilst the automotive sector is complex due to the nature of the manufacturing process involving many tiers of suppliers across a large number of countries, Toyota works with suppliers so that they understand the requirements and the expectations for them to operate in an ethical manner. TMUK will commit to support collaborations, which are helping businesses to do more together to eradicate modern slavery and to act both responsibly and ethically.

Toyota has a zero-tolerance policy towards corruption and bribery in any form irrespective of the context. The company prohibits the offering, the giving, the solicitation or the acceptance of any bribe, whether cash or other contribution, favour, advantage, to or from any person or company, public or private, by any of its members or associates for whatever reason, in order to gain any commercial, contractual or regulatory advantage in any way which is unethical or in order to gain personal advantage, financial or otherwise, for the individual in question or any other person connected with the individual.

With regard to environmental aspects – an area which Toyota has been active for many years – the twenty-first century will be a period when all business activities and all people must work in concert to resolve global environmental issues, such as those related to energy, climate change, and management of chemical substances. Consequently, Toyota requests even greater environmental initiatives by suppliers in their business activities. In light of these developments, TMUK is issuing its Supplier Code of Conduct.

Toyota commits to: -

- Develop and provide innovative, safe and outstanding high-quality products and services that meet a wide variety of customers' demands
- Support equal employment opportunities, diversity and inclusion for our employees and not discriminate against them
- Provide a safe environment in which the supply chain may operate
- Provide sustainable solutions
- Treat all suppliers fairly, without discrimination, by providing fair procurement methods and developing long term relationships
- Recognise excellent supplier performance by providing repeat business opportunities
- Considering environmental and social performance when selecting and reviewing suppliers

Toyota expects its suppliers to commit to: -

Workforce Rights

- Health and safety
- Equal opportunities/dignity at work
- Working hours
- Rates of pay
- Terms of employment
- Freedom of association
- Disciplinary practice
- Minimum age of employment
- Modern Day Slavery prevention

Environmental Considerations

- Suppliers must comply with all applicable environment laws and regulations
- Suppliers must strive for continual improvement in their environmental performance and that of their suppliers and business partners
- For the benefit of their own business, where applicable, suppliers should take steps to employ a suitable environmental management system, for example, ISO14001

Community Involvement

- Suppliers should seek to engage their local community as appropriate to their business

Sub-Supplier Management

- Suppliers should apply the principles outlined above to their own supply chain

Toyota Motor Manufacturing (UK) Ltd would like its suppliers to fully embrace the spirit of the code and we look forward to continuing to work together in an atmosphere of continuous improvement



Richard Kenworthy
Managing Director
Toyota Motor Manufacturing (UK) Ltd